Information for PR Property Approvers – and Property Officials about Procurement actions

Posted in IDEAS Discussion and to FBMS Tips and Technical Solutions Sharepoint under Property 1/16/2010 by Barb Bellio to BLM_Procurement, BLM_FBMS_State&Center_Leads, BLM_STATEPROP, Jeannette Davis-Callahan/NOC/BLM/DOI, Mark D Hooper/NOC/BLM/DOI, John Foster/NOC/BLM/DOI, Alan McConnell/NOC/BLM/DOI, Tammy Coble/NOC/BLM/DOI, Timothy Riley/NOC/BLM/DOI, Diana Medina/NOC/BLM/DOI, Jim Crews/NOC/BLM/DOI, Kathy Montgomery/NOC/BLM/DOI, Lois Perrin/NOC/BLM/DOI, Leslie A Peabody/NOC/BLM/DOI

Please read the following document - this document was written by Barb Bellio (NOC ACQ) and coordinated with Property at the NOC.

Topics covered:
When should you create an asset shell?
How the FBMS system works - for Account Assignment A-Capitalized Property and Account Assignment L-Non-Capitalized Property.
About Copiers
About PR's referencing Work Orders
About doing Reallocations
Monitoring of Assets
How to fix the problem of extraneous asset shells
Information on how to look up asset numbers

Acquisition -it is important to understand the process of asset creation. Also you should try not to process a PR that is incorrectly coded to void painful and time consuming mods later. Understanding PR's and how they are set up is an important step. Collaboration between the requisitioner and CO may be needed. There is coverage in this document regarding how copier rental and reallocations should be done.

Property - please share with all Requisitioners and Property Approvers in your State/Center or Washington Office.   If you have questions related to property and assets please contact the NOC Property team.

Account Payable - there is coverage in this document about what should be done if a payment is blocked due to deactivated asset shells.

Thanks

The FBMS system is an integrated system and actions that one functional area performs will affect another. For example, deactivated shells (for Account Assignment A) will block a payment from being made. Please follow the Business Process Procedures and Work Instructions and BLM guidance when approving PR's, creating and updating asset shells. Failure to do a process properly results in unavoidable corrections that must be made which are labor intensive, time consuming and drain an already overtaxed workforce. Thank you for your cooperation!

As a general rule-of-thumb, please do not create asset shells for Procurement documents! A procurement document is any PR where the Account Assignment for a line item is either an A or an L or a SAP PO #'s that start with "L". The system automatically creates the asset shells for you and the beauty of this is that the system will also record the acquisition value of the asset when the receiving person enters a Goods Receipt. There will be times, depending on how the PR is structured, (based on line items) where assets shells and subnumbers may have to be created and then referenced on the PR, see below, the section entitled "When should you create an asset shell?".

A property item is determined by the UPC and the UPC derives the Account Assignment code and the Commitment Item (old term is Budget Object Class (BOC)).

An account assignment of A= a capitalized asset.

An account assignment of L= a non-capitalized asset.

The Property Approver is responsible for scrutinizing all PR's for property items to make sure each line item has the correct UPC and thus the correct account assignment code. If the PR is incorrect in any way – please either reject the PR and work with the requisitioner to help them pick proper UPC codes; create or delete line items as needed and make sure the Item Category is correct for all property items, or correct the PR yourself via the change selection of the PR decision approval window in workflow (which invokes a pre-award change). **The Item Category code must always be blank for a property item.** Blank = Goods and with a goods line item receipt is done with a Goods Receipt and receipt is based on quantity. The unit of issue must always be EA for each!   Just FYI – An Item Category of D = Services and receipt is based on a value and is done in the system with a Service Entry Sheet. Service cannot be used for property items.

When should you create an asset shell?

1. When you receive a property item as a "transfer-in":

A. Assets from a different agency.

B. Other bureau assets that are received as transfers that do not already have an asset number.

2. When you see that the PR is set up with a separate line item that is a component of an asset and that asset is on it's own separate line item. Then property creates the asset shell and references the asset # on the PR for both line items. If the accounting information is the same for both line items then you may reference the asset # on both lines. If the accounting information is different, then the line item for the asset gets the assets number and the line item for the component get the "sub asset #" that property also creates. Other examples would be where an asset already exists however the PR is for a component to that asset or a "betterment" – in which case the Property approver would :

- Check the existing asset's line of accounting (Display Asset Master Record – go to Time-Dependent Tab) – look at cost center, fund, functional area, funds center, WBS)
- See if the PR line of accounting is the EXACT same. If so:
- reference the existing asset on the PR.
- IF NOT, Property must create an asset subnumber for the existing asset and
- Reference the newly created sub number on the PR.

3. After an asset is constructed – create the asset for the capitalized "structure" after final acceptance has been made.

Otherwise – the system will automatically create asset shells for you – regardless if you are buying a capitalized or non-capitalized property item.

How the FBMS system works:

Account Assignment "A" – for a Capitalized property item:

The PR must have a separate line item for each capitalized property item. In other words, if you are buying 5 cap items the PR must have 5 line items each with the correct UPC deriving the Account Assignment of A and each with a quantity of 1 and a unit of issue as EA AND the Item Category code must be blank (for goods).

The system will generate an asset shell for each of the cap line items at the time of PO creation (at the time a Contracting Officer obligates the procurement action) and will populate the line item under the account assignment tab with the Asset shell #.

When the receiver (the named COR/RO on the PO or a person with the COR/RO role) enters a GR (Goods Receipt) that acquisition value will populate the asset shell that the system created. Then property only needs to complete the asset shell with the CPO name, CPO name serial number, manufacturer, location, etc.

Account Assignment "L" – for Non-Capitalized items:

For a non-cap item you may have more than 1 as a quantity if the account code, the delivery location and the non-cap item is the same. Example: Buying 5 identical computers, all being paid for with the same fund code(s), you can have multiple account assignments – distribution by % and all are going to Billings, Montana. Your PR would have one line item (Item 10) with Account Assignment of L, Item Category of Blank and a quantity of 5 ea.

At the time the PO is created – the system will batch all PO's for the day with account assignment L and will run a job each night and will create the asset shells.

If you have non-cap items going to different delivery locations then you need to create a line item for each delivery location. Also, if you have different funding paying for the non-cap items you will need a different line item.

Make sure each line item has the correct UPC and has derived the right account assignment and commitment item. Also be sure Item Category is blank!

When the receiver (the named COR/RO on the PO or a person with the COR/RO role) enters a GR (Goods Receipt) that acquisition value will populate the asset shell that the system created. Then property only needs to complete the asset shell with the CPO name, CPO name serial number, manufacturer, location, etc.

About Copiers: (Operating Leases)

Leased equipment in BLM's possession for more than 6 months is an item that is tracked as a non-cap item. The cost is immaterial. Therefore it is only the base year of the lease where the asset is created. Use UPC WO361020.   There after the line items created to pay for the option years need not be account assignment L – they should be account assignment K – use UPC WO361010 until otherwise directed. Property is trying to get a UPC for copiers – maintenance payments only. Remember, if the asset already exists for the copier, even with a brand new Purchase Order for an additional 5 year lease then you would use a UPC that generates a K (use UPC WO361010).

About PR's referencing Work Orders: See IM OC 20009-039.

About doing reallocations:

Please do not ever reference the asset number on a reallocation. The reallocation only references the PO number!

Property has the responsibility to monitor asset shells. If there has not been receipt on an asset find out why. It could be that procurement canceled the PO. NOTE: If the CO cancels a line item where the account assignment is A or L this action WILL NOT delete the asset shell.

There are several ways to look at asset shells that were created at the time of PO creation.

1) Run the Incomplete Asset Record Report – do this by going to EMIS – Click on BEx Portfolio – click on BLM – then on BLM – Property and click on the Incomplete Asset Report. This is a report showing property which asset shells still need to be populated with the CPO, and XX XXX.

2) Each PO can be displayed in FBMS by going to Acquisition or Core Finance or Property – then to Purchasing – then to Display Purchase order. Click on Other Purchase Order and type in the PO #, press return key or display document.   Likewise, if you have an asset number you can do the same steps however after you click on Other Purchase order – click on the search ICON (looks like 2 pieces of paper) – there – change the category to Purchasing Documents per Asset and then type in the asset # - double click on the value that was returned and the PO will display.

   ABOUT "Display Purchase Order"
   There are 3 icons that look like a push tack – each of these icons can be expanded or collapsed. The top icon is the view for the header information on the Purchase order. There are blue tabs and each Blue tab contains respective header information. The DOI Header Data tab contains who the CO and the COR/RO are for the PO. The Status tab shows what has been ordered "obligated" and delivered and invoiced (real-time).
   The middle icon is the overview of the line items.
   The bottom icon is a view of the specific line item information – in the block where you see a Bracket and a line item # (Example: [10] computers - there is an icon in that field that looks like a piece of paper with a lines in a list and a down arrow at the top – click on that an all the line items will be presented in a list – you may select the line you wish to view by selecting it from the list (or you can click on the Large down or up arrow to the side of this field. Under this line item view there are also several blue tabs each containing respective information about the line item. Under the Account assignment tab is where you will find the asset number that the system created. DOI Line Item data will show you the PR that was used. Purchase Order History – will only be here if there is a GR posting or an invoice posted. This tab will show you what has

been received and invoiced (note: a parked invoice may or may not display. A parked invoice will only display if AP referenced a line item on the invoice.

3)   Select the Display Asset Master Record if you want to see each asset associated with a PO. Go to Property – Display Asset Master Record – or go to Core Financials – then click on Property – then select Display Asset Master Record - Click on the search icon – at the end of the Asset field-(Looks like 2 pieces of paper) – then change the category to Asset Custom Fields – type the PO number in the PO/Acq Doc/RefNo field – press the return key and all the assets associated to that PO will be displayed. You may double click on any of the assets to view the asset shell – when you double click it will populate that initial asset field – just press the return key.

How to fix the problem of extraneous asset shells:

For Account Assignment L:

Scenario 1: If property created an asset shell and deleted the system generated asset shell:

Complete the asset shell property created with the acquisition value and all the other required fields such as CPO name, etc. However, property must look up the PO in SAP to double check the final acquisition value. If final payment has been made then the acquisition value is known. If no payments have been processed then the CO could mod the contract to change the value of the item. Remember, it is at the time of Goods Receipt (the time of goods receipt and acceptance) that the items acquisition value is recorded. All items are expensed at time of receipt – property or otherwise!

Scenario 2: If property created an asset shell and did not delete the system generated asset shell: Do not keep the asset shell that was created by property. Keep the asset shell generated by the system and complete the information required on the system generated asset shell as required, such as CPO name etc.

For Account Assignment A:

Scenario 1: If property created an asset shell and deleted the system generated asset shell or deactivated the shell:

The SAP PO must be modified to populate the asset # on line item*.   If the asset # on the line item is a deactivated asset # that can be reactivated then reactivate the asset and the asset number that is referenced on the line item becomes valid again. If a subasset number is required then create the subasset and reference the subasset number on the line item.   A single asset # can be referenced on different line items only if the fund code (cost accounting information) for each of the lines is identical. Complete the asset shell referenced on the line item with the acquisition value and all the other required fields such as CPO name, etc.

*The only role that can modify a SAP PO for a procurement document (doc type ZC) is the AP_Contract_Awards role. Currently only one person is BLM has that access so you must make requests for changes to asset # to Diana Medina at the NOC. Her phone # is (303)236-3332 and fax # is (303)236-6599. I propose that a person in property at the NOC acquire this role.

Scenario 2: If property created an asset shell and did not delete the system generated asset shell: Do not keep the asset shell that was created by property. Keep the asset shell generated by the system and complete the information required on the system generated asset shell as required, such as CPO name etc.